

MICHIGAN STATE HOUSING DEVELOPMENT AUTHORITY
COMMUNITY DEVELOPMENT DIVISION

Subject: AMENDMENTS

Effective Date: September 1, 2015

Grant Agreements with MSHDA's Community Development Division (CD) may be amended to change Exhibit A of the Grant Agreement, i.e., Grant Term, Budget, Program Description, and Grant Conditions.

Grantee requests for amendment of a grant agreement must be submitted in writing to the Grant Implementation Specialist (GIS) by an Authorized Signer for the grant.

All requests for amendment to a grant agreement must be accompanied by the Certification of Continued Environmental Compliance (for may be found in CD's on-line Environmental Procedures Manual) which must be completed and signed by the Certifying Officer.

GRANT TERM

Grant extensions should be requested at least 60 days prior to the end of the grant term. Requests can be made in writing to your CD Specialist, or via OPAL. Refer to Section 7.6 of the OPAL Grantee Help Manual (accessible from the "Start Menu"). To ensure timely completion of a 2-year grant, CD recommends all project set-ups be approved on OPAL in the first 18 months, leaving the last 6 months of the grant term for project and grant closeout.

CDBG-funded Grantees should request an extension if,

1. The work will not be 100% completed within the grant term, OR
2. The final draw will not be submitted within the 30 day grace period, OR

HOME / NSP1 / NSP2 / MSHDA-funded Grantees should request an extension if,

1. The work will not be 100% completed within the 30 day grace period, OR
2. The final draw will not be submitted within the 30 day grace period.

MSHDA will evaluate each extension request on its merits and reserves the right to reject any such request and recapture uncommitted and/or unexpended grant funds.

NOTE: Grant extensions may delay an agency's eligibility to submit applications for additional funding.

PROGRAM BUDGET

Changes in the Program Budget are usually restricted to the amount of funds allocated to each approved cost category (excluding administrative funds) and the number of units to be produced. Changes to the number of units produced requires a request to amend the Program Description as well.

A budget amendment to increase the grant amount will be considered on a case-by-case basis when:

- Unforeseen or uncontrollable project costs are needed to complete a project with set-up approved within the first 18 months of the grant term, and
- Expenditure of the additional grant funds will not require an extension of the current grant term.
- Grantee is consistently meeting expenditure benchmarks.
- There are no outstanding monitoring findings.
- Project and grant closeouts are timely.
- Funds are available.

PROGRAM DESCRIPTION

Program Description amendments are needed when there is a change in the number of units to be produced. Requests to change the type of housing activity (component) will not be considered. Every request for funding for a type of housing activity/component requires a full application and assessment of capacity to implement the type of activity being proposed.

GRANT CONDITIONS

Amendments to Special/Pre-Disbursement Conditions are usually initiated by MSHDA if the Grant Conditions are incorrectly listed. Grant Conditions may describe a dynamic of funding (phased) or implementation (non-applicant administrator) or may list conditions that must be met before grant funds will be disbursed.

FACTORS TO BE CONSIDERED

Upon receipt and review of the amendment request, the Grant Implementation Specialist (GIS) will assess capacity progress to date.

Amendment decisions will be based on the following capacity/performance criteria:

1. Timely project completion and OPAL activity and grant reporting.
2. Review of the grant agreement expenditure benchmarks to determine progress as well the likelihood of project completion within the grant term.
3. Grantee responsiveness to MSHDA information requests.

If you have questions, contact your CD Specialist at 517-373-1974.